Halt on expansion of multinational drug Companies

1808. SHRI N. E. BALARAM:
SHRI GURUDAS DAS GUPTA:

Will the Miniter of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the recommendations of the Hathi Committee with regard to halt on further expansion of the multinational drug companies for the production of tonics, cough syrups, pain killers etc. have been implemented by Government; and

(b) if so, what steps have been taken in this regard and what are the reasons therefor?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL): (a) and (b) The decisions of the Government on the Hathi Committee recommendations are contained in the 1976 Drug Policy. A major decision among these is that the existing foreign companies will be given formulation licences in future only if they are linked with the production of high technology bulk drugs from the basic stage. This decision has been vigorously implemented.

Research and development by multinational drug companies

1809. SHRI CHATURANAN MISHRA:
SHRI GURUDAS DAS GUPTA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whethre it is a fact that according to Hathi Committee, the money spent on research and development in the drug industry in India is only 1/15th of the money spent abroad by the pharmaceuticals firms;

(b) if so, whether it is a fact that the multinational pharmaceutical concerns spent very small sums on research and development in this country; and

(c) if so, steps Government propose to improve the situation?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL): (a) Yes, Sir.

(b) and (c) Some of the drug companies with foreign equity such as Ciba-Geigy, Glaxo and Hoechst have been investing considerable amounts on R and D. However by and large on R and D expenditure as a percentage of sales turnover is lower in our country than in the advanced industrial countries. There are many incentives for R and D including exemption from price control of new drugs developed through indegenous research for a period of five years.

Coal based fertilizer plant

1810. SHRI ASHWANI KUMAR:
SHRI S. W. DHABE:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) how many coal based fertilizer plants have been set up during the Sixth Five Year Plan period and how many are proposed to be set up during the Seventh Five Year Plan period;

(b) how many of them will be set up in the backward districts of different States; and

(c) whether any coal-based fertilizer plant is proposed to be set up in Vidharba area of Maharashtra State where coal is abundantly available?